

**Date of Claim Settlement Notice: March 12, 2009**  
**Opposition/Responses Due: April 1, 2009**

In re:  W. R. GRACE & CO., <i>et al.</i> <sup>1</sup>  Debtors.	Case No. 01-1139 (JKF)  Chapter 11  Jointly Administered
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**[NINETEENTH] CLAIM SETTLEMENT NOTICE**

THIS NOTICE IS PROVIDED TO YOU PURSUANT TO THAT CERTAIN ORDER OF THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE (THE “BANKRUPTCY COURT”) AUTHORIZING AND APPROVING AN OMNIBUS PROCEDURE FOR SETTLING CERTAIN CLAIMS AND CAUSES OF ACTION BROUGHT BY OR AGAINST THE DEBTORS IN A JUDICIAL, ADMINISTRATIVE, ARBITRAL OR OTHER ACTION OR PROCEEDING (THE “COURT ORDER”). YOU MUST ADHERE TO THE TERMS OF THIS CLAIMS SETTLEMENT NOTICE IN ORDER TO PROTECT YOUR RIGHTS. PLEASE READ THE FOLLOWING PROCEDURES CAREFULLY.

Pursuant to the Court Order, the Debtors must provide notice to the Negative Notice Parties (as defined herein) of any settlement with a value that equals or exceeds \$50,000, but does not exceed \$1,000,000. Such notice must include the terms of the settlement and the Debtors’ basis for belief that each settlement is fair and reasonable. If the terms set forth in this notice are not objected to in writing by any of the Negative Notice Parties within twenty (20) days after the date of transmittal of such written notice, the Debtors may enter into, execute and consummate a written agreement of settlement that will be binding on them and their estates three (3) days after the submission to the Bankruptcy Court by the Debtors of a certificate of no objection with respect to such settlements. **In no event, however, will a settlement executed by the Debtors in accordance with the Court Order provide for any monetary payments to be made by the Debtors from property of their estates to or on behalf of a settling party on account of any claims owing or arising prior to April 2, 2001, the date the Debtors filed**

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1 The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

**their petitions for relief under title 11 of the United States Code.** Such claims shall be satisfied in accordance with such further orders of the Bankruptcy Court or in accordance with the Debtors' plan of reorganization.

On May 14, 2008, the above captioned debtors and debtors in possession (collectively, the "Debtors") and the United States of America entered into a *Settlement Agreement Resolving the United States' Proofs of Claim Regarding Certain Environmental Matters* (the "EPA Multi-Site Agreement") (Exhibit A to Dkt. No. 18847).

The EPA Multi-Site Agreement provides that certain claimants who qualify as a PRP Group/Entity are entitled to receive payments or distributions from the Debtors if by the effective date of the Debtors' plan of reorganization such claimants agree in writing that all liabilities and obligations for the site that have been or ever could be asserted by the PRP Group/Entity (or any of its individual members where the PRP Group/Entity is a group of potentially responsible parties) against the Debtors are discharged and satisfied by the allowed claim provided for in the EPA Multi-Site Agreement.

On June 2, 2008, the Court approved the EPA Multi-Site Agreement by its *Order Authorizing Settlement Agreement Resolving the United States' Proof of Claim Regarding Certain Environmental Matters* (Dkt. No. 18847).

In accordance with the EPA Multi-Site Agreement, the Debtors and certain claimants qualifying as a PRP Group/Entity in the EPA Multi-Site Agreement (the "Claimants") have entered into stipulations resolving claims against the Debtors.

Attached hereto are stipulations concerning the claims filed by the Claimants (the "Claims") which the Debtors seek to settle pursuant to the procedures approved by the Court Order and by the EPA Multi-Site Agreement.

Attached hereto as Exhibit A is a stipulation resolving claim no. 12938 filed by the General Electric Company with respect to the Green River Site in Maceo, Kentucky in the amount of \$136,562.32.

Attached hereto as Exhibit B is a stipulation resolving claim no. 15160 filed by Harrington Tools, Inc. with respect to the Harrington Tools Site in Los Angeles, California in the amount of \$112,547.63.

Attached hereto as Exhibit C is a stipulation resolving claim no. 2087 filed by Los Angeles County Metropolitan Transit Authority (and currently held by Hain Capital Holdings, Ltd.) with respect to the Harrington Tools Site in Los Angeles, California in the amount of \$893,781.83.

If you oppose the settlement of any of the Claims, you must follow the procedures delineated below. Please note that objections, oppositions or comments to the procedures set forth herein shall not be deemed an objection to the settlement of the Claims and will, therefore, not be considered.

**Objection Procedures:**

If you object to the settlement of the Claims, you **MUST** serve on the parties listed below (collectively, the "Negative Notice Parties") a written objection to this Claims Settlement Notice. All objections and responses must be received by the Negative Notice Parties at the facsimile numbers set forth below no later than twenty (20) days after the date of this notice (April 1, 2009) at 4:00 p.m. (E.D.T.).

If a timely objection is not received by the Negative Notice Parties and Debtors' counsel, the Claims shall be deemed resolved without further notice or hearing of the Bankruptcy Court.

If a timely objection is received by the Negative Notice Parties and Debtors' counsel and a resolution to the objection cannot be reached among the parties, the Debtors will file a copy of the Claim Settlement Notice and your objection with the Court and will schedule a hearing to consider the Claim Settlement Notice. Unless otherwise ordered by the Court, if such objection is overruled or withdrawn, the settlement of the Claims shall be deemed to have occurred on the date the Court enters an order approving the Claim Settlement Notice.

Any questions or comments regarding the foregoing procedures may be forwarded to James E. O'Neill of Pachulski Stang Ziehl & Jones LLP at 919 N. Market St., 17th Floor P.O. Box 8705, Wilmington, Delaware 19899-8705, (302) 652-4100.

**DISTRIBUTION LIST/NEGATIVE NOTICE PARTIES**

**OFFICE OF UNITED STATES TRUSTEE**

United States Trustee's Office Attn: David M. Klauder 844 King Street, Suite 2207 Lock Box 35 Wilmington, DE 19801	<b>FAX: (302) 573-6497</b>
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**COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS'**

Stroock & Stroock & Lavan LLP 180 Maiden Lane New York, New York 10038-4982 Attn: Arlene G. Krieger, Esq.	<b>FAX: (212) 806-6006</b>
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**COUNSEL TO THE OFFICIAL COMMITTEE OF ASBESTOS PERSONAL INJURY CLAIMANTS**

Caplin & Drysdale 375 Park Avenue, 35th Floor New York, NY 10152 Attn: Elihu Inselbuch	<b>FAX: (212) 644-6755</b>
Caplin & Drysdale One Thomas Circle, N.W., Suite 1100 Washington, District of Columbia 20005 Attn: Peter Van N. Lockwood	<b>FAX: (202) 429-3301</b>
Campbell & Levine 800 North King Street, Suite 300 Wilmington, DE 19801 Attn: Mark T. Hurford	<b>FAX: (302) 426-9947</b>

**COUNSEL TO THE OFFICIAL COMMITTEE OF PROPERTY DAMAGE CLAIMANTS**

Bilzin Sumberg Baena Price & Axelrod LLP First Union Financial Center 200 South Biscayne Boulevard Suite 2500 Miami, Florida 33131 Attn: Scott L. Baena	<b>FAX: (305) 374-7593</b>
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**COUNSEL TO THE DIP LENDER**

Latham & Watkins Sears Tower, Suite 5800 233 South Wacker Drive Chicago, IL 60606 Attn: Douglas Bacon	<b>FAX: (312) 993-9767</b>
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**COUNSEL TO THE OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS**

Kramer Levin Naftalis & Frankel LLP 1177 Avenue of the Americas New York, New York 10036 Attn: Philip Bentley Douglas Mannal	<b>FAX: (212) 715-8000</b>
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**CO-COUNSEL TO THE DEBTORS**

Kirkland & Ellis LLP 153 E. 53rd Street, #38 New York, NY 10022 Attn: Theodore Freedman	<b>FAX: (212) 446-4900</b>
The Law Office of Janet S. Baer P.C. 70 W. Madison St., Suite 2100 Chicago, IL 60602 Attn: Janet S. Baer	<b>FAX: (312)-641-2165</b>
Pachulski Stang Ziehl & Jones LLP 919 N. Market Street, 17 <sup>th</sup> Floor P.O. Box 8705 Wilmington, Delaware 19899-8705 (Courier 19801) Attn: James O'Neill	<b>FAX: (302) 652-4400</b>